

**IN THE UNITED STATES DISTRICT COURT
FOR THE MIDDLE DISTRICT OF NORTH CAROLINA
DURHAM DIVISION**

**MARY JANE BEAUREGARD, on behalf of
herself and all others similarly situated,**

Plaintiffs,

vs.

**SMART ONLINE, INC., DENNIS MICHAEL
NOURI, REEZA ERIC NOURI et. al.,**

Defendants.

Civ. No.: 1:07-CV-0785

JOINT RULE 26(f) REPORT

Due to ongoing informal settlement negotiations, the Parties respectfully request an adjournment of the Initial Pretrial Conference date (currently scheduled for July 30, 2012 at 9:30am) to September 24, 2012, or such other date after August 30, 2012 that is convenient to the Court. Additionally, the Parties agree to extend Defendant Sherb's time to answer sixty (60) days through and including September 14, 2012 in light of the settlement negotiations. Defendant Sherb shall file a consent motion addressing the issue simultaneously herewith.

1. Pursuant to Fed.R.Civ.P. 26(f) and LR 16.1(b), a meeting was held on July 16, 2012 at 3:00pm, by telephone, and was attended by Kim Miller for Plaintiff, and Cal Adams and Alan Gelb for Defendant Sherb & Co., LLP.

2. Discovery Plan:

This action, *Beauregard v. Smart Online, Inc. et al.*, was originally filed on September 28, 2007. A related action, *Smart Online, Inc. v. Sherb & Co., LLP et al.*, was originally filed on

March 26, 2010. Both cases have an Initial Pretrial Conference set for July 30, 2012, and all discussions that took place during the July 16, 2012 26(f) meeting pertained to both cases.

On March 29, 2012, the Court denied Defendant Sherb's motions to dismiss in both actions and the Parties have since been engaged in informal settlement negotiations. Due to these negotiations, the Parties request an adjournment of the Initial Pretrial Conference date to September 24, 2012, or such other date after August 30, 2012 that is convenient to the Court. At that time, if the Parties have not reached a settlement, the Parties agree to the following discovery plan:

Discovery shall be placed on a case-management track established in LR 26.1.

The Parties agree that the appropriate plan for this case (with any stipulated modification by the parties as set out below) is that designated in LR 26.1(a) as **Complex**.

In the event the Parties are not able to reach a settlement, the Parties will submit an amended Joint 26(f) Report that shall include the date of completion of all discovery (general and expert), stipulated modifications to the case management track, and applicable deadlines for expert reports.

Supplementations under Rule 26(e) are due in a timely manner or as ordered by the Court.

3. Mediation:

At this time, the Parties are informally negotiating a settlement without a mediator. If informal negotiations do not result in settlement, the Parties will consider mediation.

4. Preliminary Deposition Schedule:

Preliminarily, the Parties agree that the deposition schedule shall be determined in an amended Joint 26(f) Report in the event a settlement agreement cannot be reached.

5. Other Items:

Neither Party should be allowed to request leave to join additional parties or amend pleadings.

The Parties have discussed special procedures for managing this case, including reference of the case to a Magistrate Judge on consent of the parties under 28 U.S.C. § 636(c), or appointment of a master, and the Parties have determined that no special procedures for managing the case are necessary. The Parties do not consent to referring the case to a Magistrate Judge or the appointment of a master.

Trial of the action is expected to take approximately 15 days. A jury trial has been demanded.

DATED: July 16, 2012

By: /s/ Kim E. Miller

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DATED: July 16, 2012

By: /s/ Reid C. Adams, Jr.

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